MEDICAID OPTIONS UPDATE

Most of the data presented in the Center's Safety Nets reports reflect the status of the state safety nets at the end of 1987. Conditions in 1988 are generally very similar to those prevailing at that time. There is one area, however, where a number of states have taken positive action in their 1988 legislative sessions -- to extend Medicaid coverage to more low-income pregnant women and children.

Through June, seventeen states have taken action in response to one of the newest state safety net options, the "SOBRA" option enacted by Congress in the fall of 1986, that allows states to extend Medicaid coverage to pregnant women and young children living in families with incomes up to 100 percent of the poverty line.

The states that have recently taken such action (and that plan to implement the option between July 1, 1988 and January 1, 1989) are: Alabama, Alaska, Georgia, Hawaii, Idaho, Indiana, Iowa, Kansas, Maine, Minnesota, Nebraska, Ohio, South Dakota, Utah, Virginia, Wisconsin, and Wyoming. (In Hawaii, the legislation awaits the expected signature of the Governor.)

In several of these states, the Medicaid expansion will be quite limited. For example, in Indiana, only pregnant women and young children in families with income up to 50 percent of the poverty line will be covered, while in Idaho, the income cut-off will be 67 percent of the poverty line. In some states -- including Alabama, Virginia, and Wyoming -- children will be covered only up to their first birthdays.

Several states also acted this spring to adopt another new option, passed by Congress in December 1987, that enables states to extend Medicaid coverage for pregnant women and infants up to 185 percent of the poverty line. States that reportedly have adopted this option are Maine, Massachusetts, Michigan, Minnesota, Mississippi, Rhode Island, and Vermont (which set their income limits at 185 percent of poverty) and Iowa and West Virginia (which set their income limits at 150 percent of poverty).

Impact on the Center's Rating of State Safety Nets

The Center's *National Overview* measures each state's safety net against a set of 10 adequacy standards. The ratings reflect the current status of the safety nets.

When the new state Medicaid expansions passed this year go into effect, there will be modest changes in these state rankings. Fifteen states will meet one more standard, due to their adoption of the SOBRA option. These states are: Alabama, Alaska, Georgia, Hawaii, Iowa, Kansas, Maine, Minnesota, Nebraska, Ohio, South Dakota, Utah, Virginia, Wisconsin and Wyoming. Idaho and Indiana are *not* considered to meet an additional standard, because the standard in question measures whether the state is providing Medicaid coverage to pregnant women and children with incomes up to the poverty line (or very close to it), while the SOBRA income limits adopted in these two states are thousands of dollars below the poverty line.

When these 15 states implement the SOBRA option, state performance in meeting the standards will be as follows:*

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*This information does not reflect smaller changes that may have occurred in other program areas covered by the standards. None of the other areas should have experienced substantial changes.

- As at present, no state will meet all 10 standards.
- The number of states meeting three or fewer criteria will remain high, dropping only from 30 to 28.
- Two states (Indiana and Texas) still will meet none of the standards. The two other states that currently meet none of the standards (Alabama and South Dakota) will meet one standard, as will five other states. Of these nine states that will meet either none or only one standard, a majority (five) are outside the South.
- The number of states meeting more than half of the criteria will edge up slightly from 13 to 14, when Maine, which will now meet six criteria, joins this group.
- Minnesota will join Massachusetts in meeting nine standards.

In short, while the adoption of the SOBRA option in more states is a positive step, the overall national picture of gaps in the safety net is not substantially changed.

Number of Standards Met by States After Latest SOBRA Expansions

Zero	One	Two	Three
Indiana	Alabama	Arizona	Illinois
Texas	Louisiana	Arkansas	New Hampshire
	Mississippi	Colorado	Ohio
	Nevada	Florida	Oklahoma
	New Mexico	Georgia	Utah
	North Dakota	Idaho	Virginia
	South Dakota	Kentucky	West Virginia
		Missouri	
		Montana	
		South Carolina	
		Tennessee	
		Wyoming	

Four	Five	Six	Seven
Delaware	Alaska	Maine	Connecticut
District of Columbia	Iowa	Oregon	New Jersey
Hawaii	Kansas	Washington	Pennsylvania
Nebraska	Maryland		Vermont
North Carolina			

Eight	Nine	Ten
California	Massachusetts	None
Michigan	Minnesota	
New York		
Rhode Island		
Wisconsin		

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